

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|   |   |                 |
|---|---|-----------------|
| THE APPLICATION OF HYDEN-LESLIE COUNTY    | ) |                 |
| WATER DISTRICT OF LESLIE COUNTY, KENTUCKY | ) |                 |
| FOR ORDER OF APPROVING CONSTRUCTION       | ) | CASE NO. 93-021 |
| FINANCING, CERTIFICATE OF PUBLIC          | ) |                 |
| CONVENIENCE AND NECESSITY, AND INCREASED  | ) |                 |
| RATES                                     | ) |                 |

O R D E R

On January 20, 1993, Hyden-Leslie County Water District ("Hyden-Leslie") submitted an application with the Commission requesting a Certificate of Public Convenience and Necessity to construct significant improvements in its existing water distribution system. Hyden-Leslie also requested the Commission approve its plan of financing which consists of a loan to be made by the Kentucky Infrastructure Authority ("KIA") in the amount of \$2,245,080 and approval of increased water rates proposed to be charged by Hyden-Leslie. The application was considered filed on February 10, 1993, when all deficiencies were cured.

KRS 278.300 provides that the Commission shall have 60 days after filing to consider applications for authority to issue or assume securities or evidence of indebtedness unless it is necessary for good cause to continue the application for a longer time than 60 days. In this proceeding, required information concerning the details of the project to be financed by the KIA will not be made a part of the record prior to expiration of the 60-day period for review of the financing application. Since the

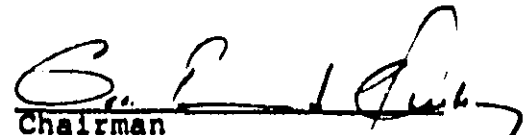
KIA loan commitment is contingent upon regulatory approval for the construction, it would be premature for the Commission to grant authority to incur the indebtedness when no ruling has been made on the construction project.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that good cause exists to continue the financing application beyond the 60-day period specified in KRS 278.300(2).

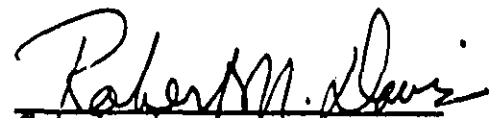
IT IS THEREFORE ORDERED that Hyden-Leslie's application for authorization to incur additional indebtedness be and it hereby is continued beyond the 60-day period specified in KRS 278.300(2), pending a ruling on Hyden-Leslie's request for a Certificate of Convenience to Construct.

Done at Frankfort, Kentucky, this 31st day of March, 1993.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director